



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/704,425	11/01/2000	Kevin J. Nicholls	WA23-040	4626

21567 7590 03/31/2004
WELLS ST. JOHN P.S.
601 W. FIRST AVENUE, SUITE 1300
SPOKANE, WA 99201

EXAMINER

COSIMANO, EDWARD R

ART UNIT	PAPER NUMBER
----------	--------------

3629

DATE MAILED: 03/31/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/704,425

Applicant(s)

NICHOLLS ET AL.

Examiner

Edward R. Cosimano

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 01 November 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-58 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☒ Claim(s) 14-20 is/are allowed.
- 6) ☒ Claim(s) 1-9, 13, 21-24, 26-34, 36-47, 49-52 and 55-58 is/are rejected.
- 7) ☒ Claim(s) 10-12, 25, 35, 48, 53 and 54 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 01 November 2000 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 2.
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

1. Applicant should note the changes to patent practice and procedure:

A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997;

B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000; and

C) Amendment in revised format, Vol. 1267 of the Official Gazette published February 25, 2003.

2. The use of various trademark(s), for example: "Zip™";

A) in the paragraph between page 8, line 4, and page 9, line 11, "With reference to the various systems ... Zip™ drive ... computer system making up the host computer."

has been noted in this application. Any trademarks should be capitalized wherever they appear and be accompanied by the generic terminology.

2.1 Although the use of trademarks is permissible in patent applications, the proprietary nature of the marks should be respected and every effort made to prevent their use in any manner which might adversely affect their validity as trademarks.

3. The drawings are objected to because

A) the drawings must show every feature of the invention specified in the claims, therefore, the subject matter of:

(1) claim 26 in regard to the "remitting of payment by the utility user"; must be shown in the drawings as required by 37 CFR § 1.83(a) or the feature(s) canceled from the claim(s) (note: no new matter should be entered).

B) the following errors have been noted in the drawings:

(1) the drawings contain 2 illustrations designated as fig. 8, see sheets 7 & 8.

(2) the drawings lack fig. 7 as disclosed in the paragraphs

(a) at page 7, lines 11-12, "Fig. 7 is a ... aspect of the present invention." (note below); and

(b) at page 22, lines 2-23, "The second form of the ... Figs. 6-9 ... within the methodology of the present invention."

(3) from the sequence of the disclosure in the paragraphs:

(a) between page 26, line 16, and page 27, line 11, "Referring now to Fig. 8, ... generally indicated by the numeral 130."; and

(b) between page 27, line 12, and page 28, line 2, "The third party host computer ... in Fig. 8, the ... receives the respective information of the parties identified.";

the figure 8 that appears on sheet 7 of the drawings should be labeled as -Fig. 7--.

(4) The drawings are objected to as failing to comply with 37 CFR § 1.84(p)(5) because they include the following reference sign(s) not mentioned in the description:

(a) 70 of fig. 4 as this figure is described between page 18, line 9, and page 19, line 2, "Referring now to Fig. 4 ... or otherwise identified for separate treatment.";

3.1 A proposed drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

3.2 Applicant is required to submit a proposed drawing correction in reply to this Office action. However, formal correction of the noted defect may be deferred until after the examiner has considered the proposed drawing correction. Failure to timely submit the proposed drawing correction will result in the abandonment of the application.

4. The disclosure is objected to because of the following informalities:

A) as required by 37 CFR § 1.84(p(5)) and 37 CFR § 1.121(e) the specification lacks an explicit reference to the nature of:

(1) reference legend(s):

(a) 70 of fig. 4 as this figure is described between page 18, line 9, and page 19, line 2, "Referring now to Fig. 4 ... or otherwise identified for separate treatment."

In this regard, it is noted that merely mentioning either a feature or a number with out mentioning the device or operation or number or feature relies on the drawing to provide support for the disclosure and not to aid in the understanding of the invention, as is the purpose of the drawings (37 CFR § 1.81(a,b)).

B) the following errors have been noted in the specification:

(1) in the paragraphs located:

(a) between page 12, line 19, and page 14, line 20, "Referring still to Fig. 1 ... customer 21. This information 21 collected ... customer 11. As seen ... utility providers 12 ... user 11 as shown at number 26. As ... parameters 26 ... customer 11 ... utility provider 12 ... number 26 ... will be discussed in greater detail hereinafter.";

(b) at page 17, lines 1-22, "Referring now to Fig. 3 ... cost savings 60. As ... rate schedule may also be prohibitive.";

(c) at page 18, lines 1-8, "Following the determination ... at 62 provides ... customer 11 ... third party host computer 50.";

(d) between page 18, line 9, and page 19, line 2, "Referring now to Fig. 4 ... host computer at 62 ... customer 11 ... customer 11 ... or otherwise identified for separate treatment.";

(e) between page 20, line 3, and page 21, line 22, "In summary, therefore, the first ... customer 21; processing ... portions 26; performing ... providers 12 ... customer 26 ... customer 60; providing ... database 62; receiving ... customer 11 ... customer 11 ... standing instructions or oral instructions given by the customer.";

(f) between page 31, line 10, and page 32, line 4, "The operation of the ... user 10 ... providers 12 ... customer 26 ... rate 60 ... customer 11 ... which is remote relative to the host computer 50."; and

(g) at page 32, lines 5-16, "More specifically ... user 10 ... history 21 ... user 11 ... party 60; subscribing ... user 11 and the respective parties 84-86 respectively.";

applicant appears to be inconsistently referring to reference numbers 10, 11, 12, 21, 26, 60 & 62 as designating different features of the invention. Note the use of reference number "10" to designate the invention in figs. 1-5, "customer 11"; "utility provider 12"; the functions associated with boxes 21 & 26 in fig. 1; and the functions associated with boxes 60 & 62 in fig. 3 as described in the remainder of the disclosure.

(2) in the paragraphs located:

(a) at page 23, lines 1-12, "As seen in Fig. 6 ...customer 101 ... of customers as seen at step 110.";

(b) at page 23, lines 13-18, "As discussed above, ... customer 110 ... to determine deficiencies in the same."; and

(c) between page 23, line 19, and page 24, line 18, "In one aspect of the invention ... customer 101. At ... information 110 ... customer 101. If ... customer 101 ... meeting tolerance parameters at step 114.";

applicant appears to be inconsistently referring to reference numbers 101 & 110 as designating different features of the invention. Note the use of "customer 101"; ~~the function associated with box 110 in fig. 6 as described in the~~ remainder of the disclosure.

(3) as can be seen in the fig. 8 which appears on sheet 7 of 9 and sequence of the disclosure, from the context of the paragraph:

(a) between page 26, line 16, and page 27, line 11, "Referring now to Fig. 8, ... generally indicated by the numeral 130." at line 1 of this paragraph "8" should be -7--.

(b) between page 27, line 12, and page 28, line 2, "The third party host computer ... in Fig. 8, the ... receives the respective

information of the parties identified.”, at line 8 of this paragraph “8” should be --7--.

(4) the specification lacks a statement of --We claim:--, (see MPEP 608.01(m)).

C) the subject matter of:

(1) claims 13 & 41 in regard to the recited “telecommunications; transportation; manufacturing, leases and manufacturing and repair services”;

(2) claims 26 & 52 in regard to the “remitting of payment by the utility user”;

(3) claim 40 in regard to the phrase “any good or service that may be consumed by a customer”, since the claims may only recite those goods and services mentioned in the disclosure;

lacks antecedent basis within the specification as required by 37 CFR § 1.75(d1).

Appropriate correction is required.

5. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(h)-1.121(i).

6. Claims 13, 26, 40-48 & 52 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

6.1 The subject matter of:

A) claims 13 & 41 in regard to the recited “telecommunications; transportation; manufacturing, leases and manufacturing and repair services”;

B) claims 26 & 52 in regard to the “remitting of payment by the utility user”;

C) claim 40 in regard to the phrase “any good or service that may be consumed by a customer”, since the claims may only recite those goods and services mentioned in the disclosure;

Art Unit: 3629

lacks antecedent basis within the specification as required by 37 CFR § 1.75(d1).

6.2 Claims not specifically mentioned above, inherit the defects of the base claim through dependency. For the above reason(s), applicant has failed to particularly point out what is regarded as the invention.

7. 35 U.S.C. § 101 reads as follows:

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title".

7.1 Claims 1-9, 21-24, 27-34, 36-47, 49-52 & 55-58 are rejected under 35 U.S.C. § 101 because the invention as claimed is directed to non-statutory subject matter.

7.1.1 Although the instant claims recite:

1) a system, (claims 55-58), and a method, (claims 1-9, 21-24, 27-34, 36-47 & 49-52), which has a disclosed practical application in the technological/useful arts, and

2) which does not define either a computer program, a data structure, non-functional descriptive material, (i.e. mere data) or a natural phenomenon,

the instant claims merely define a series of steps to be performed on a computer.

7.1.2 In regard to claims 1-9, 21-24, 27-34, 36-47, 49-52 & 55-58, the invention as set forth in these claims merely describes:

A) one or more computers that collect data/information into one or more data structures;

B) one or more computers that process/analyze the collected data/information into the desired results;

C) one or more computers that may provide the results to an user; and

D) allocating costs to the various operators of the one or more computers for the provided services.

However, as recited in the claims, neither:

A) the results of analysis is are used by the user;

B) the collection of data/information into one or more data structures does not take place outside of the one or more computers; nor

C) the processing or analysis of data/information by the one or more computers does not take place outside of the one or more computers; nor

D) the providing of the results exist outside of the one or more computers; so as to be tangibly used in a concrete manner and hence to produce a concrete and tangible result, that is a tangible application with in the technological/useful arts.

7.1.3 It is further noted that applicant has not recited in the claims a specific process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, which is either altered or changed or modified by the invention recited in claims.

7.1.4 It is further noted that applicant has not claimed either:

A) pre computer processing, since the claims fail to recited that the data, which originates from an unknown source, is manipulated or changed before it is processed, or

B) post computer processing, since the claims fail to recited that the data which represents the result of the claimed manipulation is either manipulated or used or changed by any device after it has been processed.

7.1.5 In view of the above, the invention of claims 1-9, 21-24, 27-34, 36-47, 49-52 & 55-58 merely manipulates the abstract idea of:

A) manipulating data/information within a computer.

7.1.6 In view of the above, it is further noted that the invention of claims {fill in} lacks a claimed practical application since the claimed invention, either:

A) does not have the functionality required to carry out the recited steps or functions of the claimed invention; or

B) is not used by any system or device or method outside of the claimed invention,

in a concrete and tangible manner, (note In re Beauregard 35 USPQ2d 1383 (CAFC 1995) and the associated claims of U.S. Patent 5,710,578; and State Street Bank & Trust Co. v. Signature Financial Group Inc. 47 USPQ2d 1596 (CAFC 1998)).

7.1.7 It is further noted that the type/nature of either the data or the calculated numbers does not affect the operation of the claimed invention and hence are considered to be non function

Art Unit: 3629

descriptive material, (note In re Gulack, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983)).

7.1.8 In practical terms, claims define nonstatutory processes if they:

A) consist solely of mathematical operations without some claimed practical application (i.e., executing a “mathematical algorithm”); or

B) simply manipulate abstract ideas, e.g., a bid (Schrader, 22 F.3d at 293-94, 30 USPQ2d at 1458-59) or a bubble hierarchy (Warmerdam, 33 F.3d at 1360, 31 USPQ2d at 1759),

without some claimed practical application. In regard to the instant claims, merely providing remote access does not positively recite that the information is either viewed or used or implemented by the user/customer.

7.1.9 Hence, claims 1-9, 21-24, 27-34, 36-47, 49-52 & 55-58 are directed to non-statutory subject matter.

7.2 Claim 58 is rejected under 35 U.S.C. § 101 because the invention as claimed is directed to non-statutory subject matter.

7.2.1 The instant claims recite a signal, (claim 58), which has a practical application in the technological arts, and which does not merely define either a computer program, a data structure, non-functional descriptive material, (i.e. mere data) or a natural phenomenon. Hence, the instant claims merely define device that contains a series of steps that could be but are not necessarily to be performed on a computer.

7.2.2 It is further noted that applicant has not recited a specific machine since the operations recited in the claim are merely to illustrate the operations of the instant invention since these operations are not in fact implemented by a processor/computer. Hence, applicant envisions the invention as recited in claim 58 as a disembodied storage device, i.e. memory, or a signal that stores a computer program as a non-functional data structure. Such a disembodied storage device is not a specific machine because:

A) it is not associated with a computer in such a way as to cause the computer to operate in a specific manner, (note In re Beauregard 35 USPQ2d 1383 (CAFC 1995) and the associated claims of U.S. Patent 5,710,578); and

B) a memory alone can not perform the functions recited within the claims.

Therefore, the recited disembodied storage device, which itself can not perform the functions recited within the claims as the invention, is inoperative and lacks utility for the purpose of the invention.

7.2.3 In view of the above, the invention recited in claim 58, merely describes an abstract idea of a disembodied signal or storage device, i.e. memory, that stores a computer program as a non-functional data structure, since a disembodied storage device by itself can not produce a concrete and tangible result by performing the functions recited within the claims as the invention (State Street Bank & Trust Co. v. Signature Financial Group Inc. 47 USPQ2d 1596 (CAFC 1998)). Hence, claim 58 does not have a claimed practical application, since the disembodied storage device is inoperative and therefore lacks utility for the purpose of the invention.

7.2.4 Nonfunctional descriptive material cannot render nonobvious an invention that would have otherwise been obvious. Cf. *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability). Common situations involving nonfunctional descriptive material are:

- a computer that differs from the prior art solely with respect to nonfunctional descriptive material that cannot alter how the machine functions (i.e., the descriptive material does not reconfigure the computer), or

- ~~a process that differs from the prior art only with respect to nonfunctional~~
descriptive material that cannot alter how the process steps are to be performed to achieve the utility of the invention.

7.2.5 Hence, claim 58 is directed to non-statutory subject matter.

8. The following is a quotation of 35 U.S.C. § 103 which forms the basis for all obviousness rejections set forth in this Office action:

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject

matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

(c) Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

8.1 Claims 1, 2, 21, 22, 27, 28, 39-42, 49, 50 & 55-58 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the Arkansas Business article, herein after (AB) or Callen (6,556,976) in view of obvious business concerns.

8.1.1 In regard to claims 1, 2, 21, 22, 27, 28, 39-42, 49, 50 & 55-58 either AB or Callen ('976) discloses a third party that access:

A) a first data base of historical consumption/billing information for the various goods/services that are consumed/used by the user; and

B) a second data base of costing/pricing/rating information for the goods/services from various suppliers/vendors/merchants, that is, a second party, for the goods/services that are supplied to the user.

The third party then analyses the first data base in view of the second data base in order to determine the optimum/best supplier of the goods/services consumed by the user. Once the optimum supplier of the goods/services consumed by the user has been determined, the user is notified of the identified optimum supplier of the goods/services consumed by the user. From this information the user may act appropriately in order to benefit from the third party's analysis.

8.1.2 In regard to the viewing of the results of the analysis by the user, since it is noted that with out the user being able to review the results of the third party's analysis, the user could not benefit from the potential cost savings indicated by the third party's analysis, it would have been obvious to one of ordinary skill a the time the invention was made that the systems of

Art Unit: 3629

either AB or Callen ('976) could be modified to use any suitable method of communication the results of the analysis to the user.

8.1.3 In regard to the cost allocation of the savings of the user as recited in claims 21, 27 & 49, since it is noted that a business that does not generate revenue and pay it's bill will not stay in business very long, it would have been obvious to one of ordinary skill at the time the invention was made that the systems of either AB or Callen ('976) could be modified to bill the user for the services that have been provided to the user and then use the acquired fees to pay it's bills, for example for receiving the data from the various data bases and for services that the third party has used.

9. The following is an Examiner's Statement of Reasons for Allowance over the prior art of record:

A) in regard to claims 10, 25, 35, 48 & 53, the prior art does not teach or suggest analyzing only the historical billing data that has meet tolerance values and then permitting the user to act on the processed information/data. Claims 11, 12 & 54 are allowable for the same reason.

B) in regard to claim 14, the prior art does not teach or suggest processing the historical billing data using tolerance values and then permitting the user to act on the processed information/data. Claims 15-20 are allowable for the same reason.

10. The examiner has cited prior art of interest, for example:

A) Dworkin (4,992,940) which discloses providing a central service of collecting information, categorizing the collected information and providing the categorized information to users based on the user's request.

B) either Pickering (5,483,445 or 5,684,965) which disclose analyzing previous bills and usage in order to determine the optimum billing date so as to minimize the amount paid out by the user.

C) Graves et al (WO 96/29578) which discloses analyzing previous/historical inventory data in order to determine the optimum ordering date for inventory.

D) Huth et al (6,704,742) which discloses a method similar to the instant invention by with an effective date after the filing of the instant invention.

11. Claims 10-12, 25, 35, 48, 53 & 54 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

12. Claim 13 & 26 would be allowable if rewritten to overcome the rejection under 35 U.S.C. § 112 and to include all of the limitations of the base claim and any intervening claims. As allowable subject matter has been indicated, applicant's response must either comply with all formal requirements or specifically traverse each requirement not complied with. See 37 C.F.R. § 1.111(b) and section 707.07(a) of the M.P.E.P.

13. The shortened statutory period of response is set to expire 3 (three) months from the mailing date of this Office action.


14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss, can be reached on (703)-308-2702. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

14.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.

14.2 The fax phone number for OFFICIAL FAXES is (703) 872-9306.

14.3 The fax phone number for AFTER FINAL FAXES is (703) 872-9306.

03/22/04


Edward R. Cosimano
Primary Examiner A.U. 3629